

SENATE No. 1992

The Commonwealth of Massachusetts

PRESENTED BY:

Brian A. Joyce

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act authorizing the town of Milton to establish a special purpose stabilization fund.

PETITION OF:

NAME:

Brian A. Joyce

Walter F. Timilty

DISTRICT/ADDRESS:

Norfolk, Bristol and Plymouth

7th Norfolk

SENATE No. 1992

By Mr. Joyce, a petition (accompanied by bill, Senate, No. 1992) of Brian A. Joyce and Walter F. Timilty (by vote of the town) for legislation to authorize the town of Milton to establish a special purpose stabilization fund. Municipalities and Regional Government. [Local Approval Received.]

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act authorizing the town of Milton to establish a special purpose stabilization fund.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: Notwithstanding the provisions of any general or special law to the
2 contrary, the town of Milton is authorized to establish and maintain a Special Purpose
3 Stabilization Fund, for the purpose of funding future debt service obligations of certain town
4 capital projects financed with debt issuance that would be exempt from the limitations imposed
5 by Proposition 2½ (Exempt Debt).

6 SECTION 2: For any fiscal year during which the town’s future principal and interest on
7 Exempt Debt borrowing for capital projects with Exempt Debt is less than the principal and
8 interest on the town’s Fiscal Year 2016 Exempt Debt, the difference between such principal and
9 interest and the town’s Fiscal Year 2016 Exempt Debt principal and interest shall be deposited
10 into said Special Purpose Stabilization Fund.

11 SECTION 3: For any fiscal year during which the town's future principal and interest on
12 borrowing for capital projects with Exempt Debt exceeds the amount of the principal and interest
13 on the town's Fiscal Year 2016 Exempt Debt, the difference between such future principal and
14 interest and the principal and interest on the town's Fiscal Year 2016 Exempt Debt shall be paid
15 from the proceeds of said Special Purpose Stabilization Fund.

16 SECTION 4: Money in the Special Purpose Stabilization Fund may be expended only for
17 the purpose of stabilizing the cost to the taxpayers for the future replacement or substantial
18 restoration and improvement of three town fire stations and the town Department of Public
19 Works facilities, and only for projects approved by town meeting and for which the voters of the
20 town have voted to exclude the principal and interest on debt service related to said projects from
21 the limitations set forth in Proposition 2½, provided that the maximum principal amount of debt
22 associated with the foregoing projects that may be payable from the Special Purpose
23 Stabilization Fund shall not exceed fifty million dollars (\$50,000,000.00).

24 SECTION 5: The balance in the Special Purpose Stabilization Fund shall not exceed two
25 and one-half percent of the town's annual operating budget for the then current fiscal year.

26 SECTION 6: Funding of the Special Purpose Stabilization Fund would be suspended
27 when the balance in said Fund is sufficient to cover any future payments of principal and interest
28 on Exempt Debt that would exceed the Fiscal Year 2016 Exempt Debt principal and interest. The
29 Special Purpose Stabilization Fund would be closed when the balance in said Fund is zero.

30 SECTION 7: This act shall take effect upon its passage.